

AMENDED: 4/30/02

INNOVATIVE PEAK LOAD REDUCTION PROGRAM

APPLICATION



California Energy Commission
Grants and Loans Office
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INNOVATIVE PEAK LOAD REDUCTION PROGRAM GRANT APPLICATION

This document provides information and instructions for submitting a project application to the California Energy Commission's Innovative Peak Load Reduction program.

- **Part I** provides information about the program and general instructions.
- **Part II** describes the criteria used for evaluating applications.
- **Part III** includes the application, instructions, and sample documentation.

PART I: INFORMATION ABOUT THIS SOLICITATION

A. PROGRAM SUMMARY

The goal of the Innovative Peak Load Reduction Program is to reduce peak electricity demand on the California electricity system - by tapping the creativity of the private market. Qualified applicants may receive funding through grants to facility owners or their authorized representatives who have identified specific demand reduction projects. Technical assistance is available to help potential applicants identify eligible projects and can be requested by contacting Rick Buckingham of the California Energy Commission at (916) 654-4840.

B. FUNDING

Grant funds and technical assistance are available on a first come, first served basis under this program element. As of April 1, 2002, approximately \$1.8 million is available for grants.

A minimum peak electricity demand savings of 15 kW is required for projects funded under this program. The maximum grant amount per eligible applicant is \$1 million.

No Commission-funded work may begin prior to the date of the grant award or prior authorization from XENERGY, the program administrator. Other related work, which is not part of the Commission-funded project and for which the recipient does not intend to submit invoices for reimbursement may be done prior to approval of the grant award.

The amount of the grant award will be based on a level of \$250 per estimated average peak kilowatt saved. Actual grant payments will be based on either (1) documented average peak load reduction or (2) a corrected peak load reduction estimate to account for changes in the project, at the discretion of the Energy Commission project manager. Under no circumstances will the grant payment exceed the actual project costs. All projects at a particular site should be included in one application. Projects at multiple sites, owned by the same organization, should also be included

in one application. Similar projects at multiple sites owned by legally unrelated entities may be aggregated by a third party in a single application.

C. MATCH SHARE

A match share of 25% is required of grant applicants. For instance, if the project cost is \$10,000, applicants will be required to pay at least \$2,500 of the project cost. However, if the project cost is \$200 per kW saved or below, the match share requirement is waived and 100% of the project cost can be covered by the grant. In no case will the grant reimbursement exceed the actual project cost. Any loan can be applied to the match share requirement.

D. DEFINITIONS

1. Applicant – Any individual or entity applying for funds under this program element.
2. Commission or Energy Commission – California Energy Resources Conservation and Development Commission.
3. Committee – Peak Load Reduction Committee of the Energy Resources Conservation and Development Commission or subsequent committee charged with implementing the Innovative Peak Load Reduction Program.
4. Funding Award – Award of funds to an applicant under this program element through a grant.
5. Peak Electricity Demand Period – 12 p.m. to 6 p.m. on non-holiday weekdays, June 1 through September 30.
6. Peak Electricity Demand Savings – For the purpose of this solicitation only, this includes any reduction in electrical demand or peak electricity supply augmentation from a waste energy source that meets the eligibility requirements for this program element.
7. Program – Innovative Peak Load Reduction Program.
8. Program Element – The individual subject areas designated for funding by SB 5X (i.e., Innovative Peakload Reduction, Cool Savings).
9. Recipient – Any eligible individual or entity receiving grant funds under this program.
10. Waste Energy Source – Available energy from a process that is not being utilized under the existing conditions.

E. ELIGIBLE APPLICANTS

The following electric customers:

- Commercial
- Industrial
- Local government including cities, counties and special districts
- Municipal water and wastewater facilities
- State owned buildings and universities (UC, CSU)
- Residential (single or multi-family homes), but projects may need to be aggregated to reach the minimum peak load savings of 15 kW.

The following customers must apply to other programs as indicated:

- Agriculture customers, such as farms, food processors, dairies, cold food storage facilities and irrigation districts should contact the Energy Commission's Agriculture Peak Load Reduction Program at (800) 555-7794.
- For individual residences, inquire with your local utility about energy conservation.

F. ELIGIBLE PROJECTS

In order to be eligible for funding under this program element, all proposed projects must meet the following eight minimum requirements:

1. The project must reduce California peak electricity demand or must generate electricity using a waste energy recovery method. **If an applicant is already counting savings from a project as a condition for receiving funds from another funding source, such as a utility incentive program or other grant program, the applicant cannot count those savings for the project proposed under this program.**
2. The peak electricity demand savings resulting from the project must **not** be a continuation of previous load reduction or supply. It must be a reduction from the load that existed in the 2001 peak electricity demand period or a reduction from a load planned to be on the electricity system during the 2002 peak electricity demand period, or a new contribution to electricity supply that was not available during the 2001 peak electricity demand period.
3. The project must **not** be eligible for funding in another Peak Load Reduction Program element. The other program elements are as follows:
 - Cool Savings Low-Energy Use Building Materials
 - Water/Wastewater Agency Generation Retrofits
 - Agriculture Program.

Projects that qualify for one of these three elements must apply to these programs rather than the Innovative Peak Load Reduction Program. Information on these programs is available at www.energy.ca.gov/peakload/.

4. The project must be operational and reducing peak electricity demand or producing peak electricity by June 1, 2003.
5. The project must reduce peak electricity demand from the date of completion until September 30, 2005 during the summer months, June 1 through September 30.

6. The project must have isolated and measurable peak electricity demand savings or supply augmentation.
7. The project must comply with all applicable environmental laws, rules, regulations and ordinances.
8. Costs incurred prior to the approved grant term are not eligible for reimbursement.

Examples of eligible projects, provided they comply with all of the above eligibility requirements, are as follows:

- Projects that permanently reduce electrical demand of equipment that regularly operates during the peak electricity demand period such as solar water heating to displace electric water heating, thermal energy storage, and efficiency improvements to lighting, motor systems, and space cooling equipment.
- Projects that reduce the electrical demand of equipment only during the peak electricity demand period such as scheduled equipment curtailment using automated controls.
- Waste-energy recovery projects that augment electrical supply during the peak electricity demand period such as currently unused waste heat from an existing industrial process; generation using landfill gas or micro-hydro turbines using head from an existing process.
- Innovative voluntary programs to reduce air emissions through energy conservation and related actions pursuant to programs authorized by law in effect on April 11, 2001.

Certain types of projects must meet additional eligibility criteria as follows:

- Projects replacing inefficient equipment with more efficient equipment must demonstrate that the old equipment has been eliminated from the resale market.
- If the project involves restarting a facility, equipment, or system that has not been operating since May 1, 1999, or earlier, the applicant must guarantee operation that reduces or serves system peak electrical load for at least the next three years.
- If the project is under way prior to applying for grant funds, the applicant must demonstrate that the grant will result in peak electricity demand savings by:
 - Changes in the equipment purchased or the manner in which it is installed that increase peak savings; or
 - Accelerating installation and achieving savings at least one year earlier than would have occurred without the grant.

G. PROJECTS NOT ELIGIBLE FOR FUNDING

- Electrical generation projects other than waste energy recovery projects.
- Projects that were operating at any time since May 1, 1999.
- Projects that receive any other Commission grant funds.

- Fuel switching projects that increase fossil fuel use (may be calculated from the perspective of the whole electric grid, taking into account the efficiency of central power plants at peak, transmission and distribution losses, and on-site electric conversion losses).

H. APPLICATION PROCESS

1. Complete and sign the enclosed application form.
2. Attach all requested information to the application.
3. **Submit one signed original (signed in ink and clearly marked “original”) and 3 copies** of your final application and all supporting documents to:

XENERGY Inc.
Attention: Peak Load Programs
492 9th Street, Suite 220
Oakland, CA 94607-4048

For questions about the grant program or technical assistance, XENERGY can be contacted at:

(866) PEAKKW1 ((866) 732-5591)
peakload@XENERGY.com

I. QUESTIONS ABOUT THIS SOLICITATION

Frequently asked questions and answers are posted on the web at www.energy.ca.gov/peakload/documents. For any additional questions, contact XENERGY at (866) PEAK KW1.

J. APPLICATION DEADLINE

Grant applications must be **received** in XENERGY’s Oakland office by 4:00 p.m., June 28, 2002.

Funding will be awarded on a first come, first served basis. Applicants are strongly advised to submit their **complete** application packages as soon as possible to ensure that funds are available.

K. SCHEDULE

The schedule for this funding solicitation is as follows:

Application Package Available	Available now
Applications accepted	Immediately
Grant Applications submittal deadline	June 28, 2002 by 4 p.m.
All projects must be operational	June 1, 2003

L. APPLICATION REVIEW AND APPROVAL PROCESS

Applications will be processed as follows:

1. Screening for Eligibility –
 - a) XENERGY staff will initially screen applications for eligibility and completeness.
 - b) Complete applications will be reviewed in the order received. Funds will not be reserved for the proposed project until staff receives a complete application package and determines that the proposed project meets the minimum eligibility criteria. Applicants who submit incomplete applications will be notified of deficiencies within 14 days, but will lose their place in line in the review process until all requested information is received.
2. Approval –XENERGY’s Project Manager will approve applications for funding. The date of approval will be the official project start date. Expenses incurred prior to the date of approval cannot be reimbursed. The Energy Commission and XENERGY reserve the right to award all, any part, or none of the funds available under this solicitation, and to fund all or any part of any proposed project which has received a passing evaluation.
3. Grant Agreement – After a project application is approved, a grant agreement will be developed for both the funding recipient and XENERGY to sign. This agreement defines the work to be completed, products, schedule, budget, and the rights and obligations of the recipient and XENERGY. To review the SB 5X Terms and Conditions, which will be included in your grant agreement, go to the web site www.energy.ca.gov/peakload/.

M. DISBURSEMENT OF FUNDS

- Grant payments will be made after the project is complete and the recipient demonstrates that it has achieved the desired peak electricity demand savings or supply augmentation.
- Grant payments will be based on the approved dollars requested per estimated kW of peak electricity demand savings (or supply augmentation) expected to be achieved. XENERGY reserves the right to adjust the estimated peak savings and the earliest feasible completion date. If the peak electrical demand savings or supply augmentation falls short of the original estimates, reimbursement may be reduced proportionally from the original grant award.

All invoices must be submitted with a completed payment request form and accompanied by all backup documentation. The backup documentation should include copies of paid invoices and

receipts detailing the specific equipment and purchases, the services produced, and personnel time records where appropriate. As the applicant, a third party contractor must submit documentation of their costs, not the charges to be invoiced to the host customer.

- XENERGY staff must approve all invoices. Such approval is subject to the submission of acceptable progress reports by the recipient, other specified products, and the appropriateness of the invoiced expenses under the grant agreement.

N. REPORTING REQUIREMENTS

All recipients will be required to submit **monthly progress reports** to XENERGY staff, due by the fifth of each month (excluding the first three weeks following the grant award), until the project is complete and a final report submitted.¹ The progress reports shall contain at a minimum the following information:

- a) Status of work, including an indication of overall progress compared to the expected schedule and goals, and milestones achieved;
- b) Any deliverables (products) as identified in the grant agreement;
- c) A comparison of project expenses to date to the expected budget; and
- d) Any barriers that have been encountered that could delay the completion of the project.

In addition, the program manager may periodically contact the recipients to assess progress. If the recipient fails to reach predetermined performance milestones during project development, the recipient will be required to explain how the project schedule can recover to the program manager's satisfaction, or the grant award may be rescinded.

Grant recipients must submit a final report after the project is completed and before funding can be awarded. Requirements for the final report can be found in the Terms and Conditions.

O. MEASUREMENT AND VERIFICATION

Measurement and verification consists of three components:

Analysis of projected savings. All projects' pre-installation documentation of projected demand savings will be analyzed for validity and accuracy. Recipients will be responsible for submitting complete documentation that indicates the basis for projected demand savings. See page four (4) of the application form for requirements for documenting estimated peak electricity demand savings.

Verification of proper installation. Recipients will be required to submit documentation confirming the installation and commissioning of each project. Documentation will be tailored to each project but will include items such as installation date, description of installed systems, customer acceptance, and commissioning report. The Commission or XENERGY may inspect sites to confirm proper installation. Payments may be reduced or not paid if complete and proper installation is not documented.

¹ Sample Progress Report is provided at the back of this application.

Pre- and post-installation evaluation. The Commission and XENERGY will audit a sample of grant recipients' projects to verify compliance with the grant agreement and approved project documentation, and to document peak electricity demand reductions or supply augmentation. This work may include pre-installation and/or post-installation inspections, metering, data collection, interviews, and utility bill data analyses. Recipients will be required to cooperate with Commission staff or their representatives who conduct these evaluations.

In addition to these measurement and verification components, the Commission will monitor the progress of awards and evaluate the effectiveness of the program and this program element. Recipients must maintain records for a period of at least three years after final payment is received and allow the Commission access to records and installation sites during this three-year period.

P. PROJECT START DATE

No Commission-funded work may begin prior to the date of the grant award. Other related work, which is not part of the Commission-funded project and for which the recipient does not intend to submit invoices for reimbursement may be done prior to approval of the grant award.

Q. LOCAL AGENCY RESOLUTION

When the recipient is a county, city, district or other local public body, the recipient must provide a copy of a signed resolution, order, or ordinance of the local governing body which by law has authority to enter into the grant agreement. This document must authorize the recipient to enter into the grant agreement and designate an authorized representative to execute all necessary agreements to implement and carry out the purposes of the award.

The governing body resolution (Exhibit 5), or equivalent, need not be submitted with the application, but it must be received before payments can be disbursed to the recipient. Failure to submit the resolution or equivalent within the specified time could result in withdrawal of the grant. **Note: Public Agencies should immediately initiate the process to obtain the resolution from their board or governing body to avoid delay of the project.**

R. CONFIDENTIAL INFORMATION

Applications and proposals shall not contain confidential material. Any material in an application that is marked confidential automatically will be disregarded and returned to the applicant. The application will be evaluated without the confidential information. All applications submitted to the Energy Commission will be public documents once the project selections are made.

S. CANCELLATION OF SOLICITATION

The Energy Commission and XENERGY reserve the right to do any of the following:

1. Cancel the solicitation at any time.
2. Modify these instructions and application as needed upon written notice.
3. Reject any or all applications received in response to the solicitation.

PART II: HOW YOUR PROPOSAL WILL BE EVALUATED

A. INITIAL SCREENING OF PROPOSALS

Prior to evaluating, all applications will be screened for completeness and to determine if they meet the minimum eligibility requirements. The following checklist is provided to assist you in ensuring that your application is complete.

1. APPLICATION CHECKLIST

Needed Item	What Must Be Submitted?	For additional information, refer to the following Application Sections
<input type="checkbox"/> Applicant meets all eligibility requirements	➤ Include all relevant information in Section E of the Application Form, Part III	<ul style="list-style-type: none"> • Eligible Applicants: Part I, Section E
<input type="checkbox"/> Project meets all eligibility requirements	➤ Include all relevant information in Section E of the Application Form, Part III	<ul style="list-style-type: none"> • Eligible/Ineligible Projects: Part I, Section F
<input type="checkbox"/> Application form, Part III, is complete and signed <input type="checkbox"/> Attachment 1 – Work Statement <input type="checkbox"/> Attachment 2 – Project Budget <input type="checkbox"/> Attachment 3 – Calculations for peak electricity demand savings including engineering certification (if required).	➤ The original signed application including Attachments 1-3 plus THREE complete copies.	<ul style="list-style-type: none"> • The application is available electronically at: www.energy.ca.gov/peakload/ or contact XENERGY at peakload@XENERGY.com or (866) 732-5591 • Where to send applications and get information: Part I, Section H • Application deadline: Part I, Section J • Application process: Part I, Section L • Disbursement of funds: Part I, Section M • Part III, Section F, Attachments

B. EVALUATING CRITERIA

The following table shows the evaluation criteria that will be used by the committee. The application must receive a “pass” in each area. Please keep this in mind when selecting your projects and preparing your proposal.

TECHNICAL EVALUATION CRITERIA	PASS	FAIL
1. Project feasibility <u>Factors to be considered:</u> <ul style="list-style-type: none">a) Is the project technically feasible?b) Is the project economically viable?c) Does the applicant or its contractor have experienced and qualified staff?d) Does the applicant have the financial means to finance project costs prior to reimbursement?		
2. Level of certainty of demand savings <u>Factors to be considered:</u> <ul style="list-style-type: none">a) Are the baseline assumptions plausible?b) Are the calculations accurate?c) Does the proposal have data to back-up the calculations?d) Does the proposal demonstrate verifiability of savings?		
3. Effective use of funds <u>Factors to be considered:</u> <ul style="list-style-type: none">a) The project will not increase fossil fuel consumptionb) Does the project reduce peak demand during the required hours through 9/30/04?c) Is the life of project long enough to justify the long-term savings?		
4. Timely Completion <u>Factors to be considered:</u> <ul style="list-style-type: none">a) Has the applicant submitted a detailed schedule that indicates timely completion?b) Is the “earliest feasible completion date” plausible?c) Is the “latest expected completion date” reasonable?		
5. Reliability of load impacts <u>Factors to be considered:</u> <ul style="list-style-type: none">a) Probability that demand reductions or supply augmentation will occur during critical summer peak daysb) Verifiability of the load impacts of the project		

PART III

APPLICATION FORM

INNOVATIVE PEAK LOAD REDUCTION PROGRAM

This form must be filled out completely and signed by the applicant.

Please respond to each question or information request completely and concisely. Note that some questions have more than one part. Many questions require only a brief response.

A. APPLICANT INFORMATION

Full Legal Name of Applicant Organization: _____

Years in Business Under Current Name: _____ Year First Established: _____

Federal Employers ID Number: _____

Authorized Representative: _____

Firm: _____

Title: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Fax: _____

E-mail address: _____

Type of Organization(s) or Business(es) of applicant (check)

- | | | |
|--|--|--|
| <input type="checkbox"/> Local Government | <input type="checkbox"/> Other Public Entity | <input type="checkbox"/> Non-Profit Organization |
| <input type="checkbox"/> Special District | <input type="checkbox"/> University or College | <input type="checkbox"/> Sole Proprietor |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Limited Liability Company | |

Other (specify): _____

Note: Certain entities such as corporations, limited partnerships/limited liability companies may be required to register and be in good standing with the California Secretary of State to be eligible to enter into a grant agreement with the Energy Commission. If you are not registered with the California Secretary of State, we encourage you to contact their office at www.ss.ca.gov or (916) 653-6814 as soon as possible to avoid potential delays in beginning your project should you be awarded a grant.

Project Site Address if different from above (if multiple host sites, provide a spreadsheet with the following details for each host site):

Full Legal Name of host site:_____

Federal Employers ID Number:_____

Contact Name (at the host site):_____

Title:_____

Phone:_____ Fax: _____

Street Address:_____

City:_____ State:_____ Zip Code:_____

E-mail address:_____

Type of Organization(s) or Business(es) of applicant (check)

- | | | |
|--|--|--|
| <input type="checkbox"/> Local Government | <input type="checkbox"/> Other Public Entity | <input type="checkbox"/> Non-Profit Organization |
| <input type="checkbox"/> Special District | <input type="checkbox"/> University or College | <input type="checkbox"/> Sole Proprietor |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Limited Liability Company | |

B. PROJECT BUDGET AND FUNDING REQUEST

Estimated Total Project Cost: \$_____

Estimated Peak Electricity Demand Savings/augmentation (KW): _____kW

Grant Funding Requested (\$250/kW) \$_____

C. PROJECT TIME TABLE

Earliest Feasible Completion Date:_____

Latest Expected Completion Date:_____

D. PROJECT DESCRIPTION OR PROGRAM PLAN

Project Description

Describe your proposed project. Some details about your project will be requested in the specific questions in the following Section F, so please read these completely before writing your project summary to avoid unnecessary duplication.

Include the following information in your project description:

- Describe the project, the products and technologies used, and how they will be employed.

- List all facilities, buildings or equipment that will be affected by the project.
- State whether the project involves reduction of base load demand, reduction of peak electricity demand, load shifting, or supply augmentation using available waste energy.

E. PROJECT DETAILS

1. PROJECT FEASIBILITY

a) Project Team Capabilities, Experience and History of Success with Similar Projects

List all key individuals including consultants and contractors who will be involved in the various facets of the project. What experience and qualifications do the staff and/or contractors on your project team have that will help ensure successful implementation of your proposal? Include any experience and history of success with projects similar to those proposed in your application.

b) Applicant's Financial Capabilities

How will your organization finance the project installation prior to being reimbursed by the Commission?

2. EFFECTIVE USE OF GRANT FUNDS

Methods and assumptions used in estimating peak electricity demand savings or supply augmentations must meet minimum quality standards. In particular, savings estimates that are obviously exaggerated will be grounds for disqualification.

a) Use of Other Energy Efficiency Incentives

Please note that if an applicant is already counting savings from a project as a condition for receiving funds from another funding source, such as a utility incentive program or other grant program, the applicant cannot count those savings for the project proposed under this program.

Are you receiving incentives from an electric utility for any of the components of your project?

- ☐ No
☐ Yes

If yes, please specify the utility providing the incentive and the amount of the incentive, and list the project components or elements that the incentive is intended to fund.

3. RELIABILITY OF LOAD IMPACTS

All proposals will undergo a technical screening by a registered professional engineer to evaluate factors 3(a) and 3(b).

a) Probability that the Demand Reductions or Supply Augmentation Will Occur during Critical Summer Peak Days

When will the demand reductions or supply augmentations occur? (Time of day, days of week, and time of year, or under certain weather conditions, etc.) If applicable, how will the demand reductions or dispatchability be reliably controlled or triggered?

b) Verifiability of the Load Impacts of the Project

Please describe any relevant data or information that may assist in verifying the pre-project demand and the demand savings or supply augmentation.

F. ATTACHMENTS

Note: If your project is selected for a grant award, the **Work Statement** and **Budget** as presented in your application and revised by Commission staff, if necessary, will become part of your grant agreement, a legal document that lays out the terms and conditions of your grant award with the Commission. Grant recipients will be required to submit electronic copies of their Work Statement and Budget for this purpose. In order to expedite initiation of your project if it is selected for an award, please carefully draft these sections in your grant application and follow the format in the samples included in this document. Any revisions to these sections that are required after the project is selected will delay the start date of your project.

Please ensure that all attachments are completed according to the instructions and attached to your application.

ATTACHMENT 1. WORK STATEMENT

Provide a clear and understandable work statement describing the specific tasks to be conducted including key milestones, products, if any, and schedule for conducting this project.

Prepare the Work Statement as a separate Attachment with the heading “**Attachment 1. Work Statement.**” Please see Instructions and Sample Work Statement and use this format to prepare your Work Statement.

ATTACHMENT 2. BUDGET

Provide a budget for your project that itemizes costs for equipment, labor, supplies, and other costs. Expenses will be reimbursed in accordance with the budget included in the application. Funds can only be used to reimburse the recipient for expenses paid by the recipient and can only be paid after the Program Manager has verified or the applicant has certified that the project is complete. Expenses paid with state funds cannot exceed the total amount of funds requested in the application and listed in the budget section, nor the actual project cost. Only expenses incurred during the term of the grant can be reimbursed.

Prepare the Budget as a separate attachment to your application with the heading “**Attachment 2. Budget.**” Please see Budget Instructions and Sample Budget. **Only include the budget categories shown in the sample.**

ATTACHMENT 3. CALCULATIONS OF PEAK ELECTRICITY DEMAND SAVINGS OR SUPPLY AUGMENTATION

Attachment 3 must clearly show how your estimated demand reduction or supply augmentation is derived.

- Include all relevant data that will allow an engineer to duplicate the demand savings estimate indicated, such as:
 - Concise description of the existing energy systems to be affected
 - Area of the facility, plug load and process load, if any
 - Location of affected equipment
 - Condition and age of equipment if a degradation in nameplate efficiency is assumed
 - Hours of operation of the affected equipment
 - Number of existing units
 - Ratings of equipment (wattage, nameplate, tonnage, voltage, etc.)
 - Measure-by-measure summary of the calculated demand savings associated with the project
 - Historical peak power (if demand metered) and/or energy consumption data
 - Facility physical description and occupancy (including activities in building and hours of operation)
- Clearly indicate all assumptions and variables used in the analysis.
- Describe the basis or rationale for each assumption and variable.

Please see "Information for Calculating Estimated Peak Electricity Demand Savings", which provides guidelines for calculating peak electricity demand savings.

ATTACHMENT 4. GOVERNING BODY RESOLUTION (Public entities only)

When the recipient is a county, city, district, or other local public body, the recipient must provide an original signed resolution (or copy with original signed certification), order, motion, or ordinance of the local governing body which by law has authority to enter into the grant agreement. This document must authorize the recipient to enter into the grant agreement and designate an authorized representative to execute all necessary documents to implement and carry out the purposes of the award. This document need not be submitted with the application. However, payments will not be made until the resolution is submitted to XENERGY. **Applicants are strongly urged to immediately initiate the process to obtain a resolution.**

Please see Sample Governing Body Resolution for a sample resolution that may be used as a guide or filled out and certified by the local agency.

H. APPLICANT CERTIFICATION

I certify to the best of my knowledge that the information contained in this application and supplemental information is correct and complete. I authorize the California Energy Commission or XENERGY to make any necessary inquiries to verify the information I have presented.

Signature of Authorized Representative

Date

Name (typed or printed): _____

Relationship to applicant organization: _____
(i.e. President, County Superintendent, General Partner, hired consultant, third party contractor)

Note: For public agencies, the Authorized Representative is the person designated in the Governing Body resolution, order, motion, or ordinance of the local governing body which has the authority to enter into the funding agreement.

INSTRUCTIONS AND SAMPLE WORK STATEMENT
(For preparing Attachment 1)

TASK 1. NAME OF TASK

Describe the task to be performed and its expected completion date. If there are several activities that must be accomplished to complete the task, list them as subtasks. Number any subtasks as 1.1, 1.2, etc., to make it easier to report on tasks in your monthly reports, etc.

- 1.1 Describe the subtask to be performed. Include specific details of the work to be performed.

Completion Date: List the date the subtask will be completed.

Product Description: List products resulting from the task or subtask, if any.

Product Due Date: List the date the product will be submitted to the Energy Commission Project Manager.

NOTE: It is not necessary to have a product for each task or subtask. However, if the task results in information, a report, or other data of value to the Energy Commission, it should be listed as a product. The Commission Project Manager may add products to the Work Statement in preparing the grant agreement.

SAMPLE:

TASK 1. Install and commission a new high efficiency chiller

- 1.1. *Company Name* will remove and dispose of old chiller, piping and wiring.
Completion date: June 15, 2002
- 1.2. *Company Name* will receive delivery of new chiller and inspect and certify that all equipment is received in satisfactory condition.
Completion date: July 1, 2002
- 1.3. *Company Name* will install and commission new chiller.
Completion date: July 15, 2002
Product Description: Commissioning report
Product Due Date: July 25, 2002

BUDGET INSTRUCTIONS AND SAMPLE BUDGET

(For preparing Attachment 2)

Provide a detailed budget of proposed expenditures. Funds must be used for projects described in the work statement. Please include all categories listed below, and only these categories in the following order. If your project has no budget in the category, list and put "\$0" in the budget column.

PERSONNEL: List job classification, hourly salary, number of hours to work on this project, and total cost. If employees are paid on a monthly versus hourly basis, provide monthly salary, percentage of time to be worked on this project, number of months to work on this project, and total cost.

FRINGE BENEFITS: Specify percentage of Salaries and Wages and total cost.

TRAVEL: List each trip (or category of trip), purpose of trip, itemization of costs, and cost per trip. Any trips that are not included in the grant budget will require prior written authorization from the Energy Commission Project Manager. (See the grant award Terms and Conditions at <www.energy.ca.gov/peakload/documents/> for allowable travel rates.)

EQUIPMENT: Itemize with costs per item. This includes all equipment that will be directly purchased by the Recipient. "Equipment" means tangible non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5000 or more per unit.

SUPPLIES: Itemize with costs per item. This includes all supplies that will be directly purchased by the Recipient.

CONTRACTUAL: Specify the amount and purpose of each contract. (This would include contracts for the purchase and installation of equipment, etc.)

OTHER: List any other items that do not fall in any of the above categories.

INDIRECT: Indicate if indirect will be charged as a percentage of Personnel and Fringe Benefits or total direct charges. State the basis for the proposed indirect cost rates. Attach documentation of calculations. The Energy Commission Project Manager will review the indirect rate and may make adjustments, if necessary.

Sample Budget

PERSONNEL:	3 electricians, 120 hours each - \$40/hr 1 project manager, 30 hours - \$90/hr	\$ 7,500.00
FRINGE BENEFITS:	2% of personnel	\$ 150.00
TRAVEL:	Project manager 30 mi/trip X 12 trips \$0.35/mi	\$ 126.00
EQUIPMENT:	5 pumps (\$10,000 each) 1- 2000 ton chiller (\$250,000)	\$ 300,000.00
SUPPLIES:	T-8 Lamps (7812 @ \$2.50) Electronic Ballasts (3906 @ \$11) LED Exit Signs (210 @ \$24) Compact Fluorescent Assort. Wattages (5828 @ \$15) Wire, Wire-nuts, Tombstones, Screws, Clips & Misc.	\$ 154,956.00
CONTRACTUAL:	Equipment Installation Contact	\$ 10,500.00
OTHER:	Disposal Costs	\$ 67,539.00
	TOTAL DIRECT COSTS	\$540,771.00
INDIRECT:	Not Applicable (typically a percentage of direct costs)	\$ 0.00
	TOTAL	\$540,771.00

**INFORMATION FOR CALCULATING ESTIMATED PEAK ELECTRICITY
DEMAND SAVINGS
(For preparing Attachment 3)**

Peak electricity demand savings must be calculated as the average hourly reduction in demand or supply augmentation expected during the hours of 12 p.m. to 6 p.m. on non-holiday weekdays from June 1 through September 30.

Calculations of savings must take into account any variable loads on the relevant equipment. For example, for a pumping efficiency improvement, the peak electricity demand savings should be calculated using pump loads that are representative of typical operating conditions during the summer peak demand period, preferably based on hourly historical operating data. If the peak electricity demand savings will occur only during a portion of the period June 1 through September 30, then the savings must be reduced proportionally. The following formula can be used to cover these types of projects:

$$\sum_{i=1}^n (Kwh_{i\text{before}} - Kwh_{i\text{after}}) / 6n$$

Where

n = the number of non-holiday weekdays from June 1st to September 30th.

$Kwh_{i\text{before}}$ and $Kwh_{i\text{after}}$ is the energy consumption of the system before and after the project, for each hour between 12 p.m. and 6 p.m. for this four month period.

It is up to the applicant to present a convincing case for how peak electricity demand savings should be estimated. If it is unclear whether your preferred method is sufficient, contact the program manager. If it is not clear whether any of the above methods are appropriate for your project, contact the program manager to verify the appropriate approach for estimating the demand impact.

**Sample Monthly Progress Report
(E X A M P L E)**

Submitted February 5, 2002

PROGRESS ON WORK STATEMENT

Task	Status
TASK 1. DESIGN DOCUMENT	Completed November 1, 2002, on schedule
TASK 2. AUTHORITY TO CONSTRUCT	Completed December 11, 2002, on schedule
TASK 3. SELECTION OF CONTRACTOR	Completed January 2, 2003, on schedule
TASK 4. CONSTRUCTION	In progress. Provide details of task 4 activities. Provide expected completion date for this task.
TASK 5. COMMISSIONING, START-UP AND PERFORMANCE TESTING	Provide expected completion date for this task.
TASK 6. TRAINING AND DOCUMENTATION	Provide expected completion date for this task.
TASK 7. FINAL REPORT	Provide expected completion date for this task.

Problems or Delays: Provide description of problems or delays and impact on expected completion date for project. For instance:

Wet weather has delayed construction of the project by 12 workdays. The original schedule allowed only twelve rain days, so this leaves no further cushion for more wet weather, which could occur in the February-March period.

Mitigation Measures Planned: Discuss mitigation measures planned to alleviate problems or delays. For example:

The contractor agreed to increase the number of workers on site during the next eight weeks. This will reduce the construction phase by one week, providing a cushion of six additional days in the schedule to accommodate rain delay.

FINANCIAL STATUS

Budget Category	Amount budgeted	Expenses to Date	Outlook
Personnel			On track
Contractual			Under budget
Total			Under budget

Discussion of Budget Overruns and Mitigation Measures Planned: Expenses are expected to be well within budget—no discussion required. (If there are significant cost overruns, please explain the reason for the overruns and any impact this will have on the project. XENERGY is particularly concerned about any impact on the timely completion of the project or changes in the scope of the project that could reduce the level of demand reduction that could be achieved. If such impacts are possible, please explain how they will be mitigated)

SAMPLE GOVERNING BODY RESOLUTION
(For public entities only)

Resolution of _____ for the
Innovative Efficiency and Renewables Program

Resolution No. _____

Resolution of *(Name of Public Agency)*

WHEREAS, the California Energy Commission provides grants to finance energy efficiency projects that will reduce peak electricity demand or renewable generation to augment peak electricity supply;

NOW THEREFORE, BE IT RESOLVED, that *(governing body)* authorizes *(name of public agency)* to apply for funding from the California Energy Commission to *(description of project)*.

BE IT ALSO RESOLVED, that if recommended for a funding award by the California Energy Commission's contractor, XENERGY, the *(governing body)* authorizes *(Name of Public Agency)* to accept a grant up to \$_____.

BE IT FURTHER RESOLVED, that *(title of official)* is hereby authorized and empowered to execute in the name of *(Name of Public Agency)* all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to undertake and complete the energy efficiency project.

Passed, Approved and Adopted this _____ day of _____, 2002.

Governing Board Members:

_____	_____
_____	_____
_____	_____

SAMPLE THIRD PARTY AGREEMENT

Third Party Agreement

We, <company name> , understand that <third party> is applying for the Innovative Peak Load Reduction Program on our behalf. We understand that <third party> will sign the Grant Agreement and receive a Grant Payment from XENERGY. (Please also include your company's Federal Tax ID #)

Contact Name

Signature

Title

Address

Phone Number

Company Federal ID #